

## State of Connecticut House of Representatives

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

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FINANCE, REVENUE AND BONDING COMMITTEE
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Testimony of State Representative Roland Lemar on HB 6526 (AN ACT CONCERNING BROWNFIELD REMEDIATION AND DEVELOPMENT AS AN ECONOMIC DRIVER) & HB 6528 (AN ACT CONCERNING BONDING FOR BROWNFIELDS)

Before the Commerce Committee Public Hearing; March 8, 2011

Senator LeBeau, Representative Berger and distinguished members of the Commerce Committee;

In the two towns that I represent, Hamden and New Haven, there are at least fifteen old industrial sites, representing nearly 100 acres which, because they are environmentally contaminated, are not being put to productive use. These brownfield sites are a significant drain on our public resources – they deplete our property tax base, they are eyesores in our communities, they pose serious threats to the public's health, the local environment, and comprise an increasing liability to the state. Re-developing these contaminated properties is the key to building our local property tax revenues, supporting the goals of smart growth, and facilitating key transportation investments.

As you know, many of these contaminated sites are strategically located near transportation infrastructure and in our cities and inner suburbs. They are ripe for redevelopment- and redeveloping these sites, rather than developing on our open space lands, is good for our environment.

It is also good for business. Because these sites are strategically located, often times private investors who are not responsible for the contamination are nevertheless willing to take on the costs of cleaning up these properties. Their investment will grow jobs and build property tax revenues. We can facilitate their investment by creating a comprehensive one-stop program specifically designed to encourage, attract, and incentivize owners and developers who are not responsible for the contamination to commit and attract private resources to purchase, investigate, clean-up and redevelop these sites. HB 6526 provides clarity, predictability, simplicity, certainty and expediency, all geared to attract redevelopment and jobs in tough economic times and at the same time limit the state's continuing liability for the potential clean-up of these sites.

We can make this good bill even better. HB 6526 goes a long way toward spurring private development of brownfield sites, without the use of public funds. However, the Bill as proposed includes two provisions that are actually detrimental to goal of cleaning up brownfields sites. Section 17(a) limits the number of eligible properties to "no more than twenty properties at a time." If this program is a good one, and I think that it is, and it can return vacant underutilized contaminated properties back to productive use, we should not be capping the number of eligible properties. If we are concerned about overwhelming our State agencies, we should address that by imposing a sensible application fee structure. But I do not ever want to go back to my constituents in New Haven and explain that the reason the Robbie Len building on State Street or an old manufacturing site on Dixwell Avenue in Hamden remains boarded up is because it was the 21<sup>st</sup> applicant to this program. This program does not cost the State anything. Why would we limit the extent to which the private sector invests in cleaning these sites up?

Second, eligibility for the program should not be based on a laundry list of discretionary factors, none of which has to do with whether the program applicant is responsible for the environmental contamination. The eligibility criteria laid out in Section 17(a) are appropriate for a funding bill – when the State provides tax credits or grants, we have the ability and the responsibility to award those limited dollars based on discretionary factors, like job creation and smart growth. Job creation and smart growth are issues of crucial importance but they have no business being in HB 6526. I am saying this as an avid environmentalist and Connecticut resident committed to the ideals of smart growth. House Bill 6526 has to do with innocent parties, with no connection to preexisting environmental contamination, taking on the responsibility of cleaning up an old site. Whether or not the project in question meets factors related to environmental contamination, should have no bearing on what sort of liability the innocent property owner takes on. The eligibility factors laid out in Section 17(a) are laudable goals that I support – they just feel a little out of place in this bill.

Where I feel these factors belong is in HB 6528, which authorizes bonding for brownfield remediation. When it comes to providing state dollars for remediation, which this terrific program would do, we should be investing in projects that constitute smart growth and that will build our job base. Section 17(a) of HB 6526 should be moved to establish a priority/criteria list for funding under HB 6528.

These changes will make good bills even better. Brownfields legislation should provide clarity and certainty regarding clean-up obligations, risk, and liability in a manner that will attract private investment, redevelopment, and jobs. The process for innocent parties to remediate contaminated properties should be streamlined and efficient and should limit the state's continuing liability for the potential clean-up of these sites. HB 6526, with these revisions, will do just that. In conjunction with HB 6528, this committee will establish a wonderful program that will help redevelop important sites in my home communities, as well as yours and will make a dramatic improvement in the economic, physical and environmental health of our State. Thank you for allowing me to testify and thank you for your work on these bills.